

A Valuable Book on Economics

**Review by
Lars Ulrik Thomsen**

STAATSMONOPOLISTISCHER Kapitalismus – State Monopoly Capitalism – from the author collective of Binus, Landefeld and Wehr, is divided into four main themes: how did state monopoly capitalism (SMC) evolve?; the history of SMC theory; the current relevance of the SMC analysis; and a strategic discussion on the basis of SMC theory.

As the authors make clear, the theory of SMC has proved to be one of the most viable explanations for the depth and duration of the global economic and financial crisis since 2007. Government interventions on behalf of the monopolies have now reached an entirely new dimension; and the close ties between the state apparatuses and the monopolies, for the purpose of securing the latter's investment interests, comprise the core structure of capitalism today.

Of particular interest is Chapter III, because the authors deal here with developments after the Soviet collapse. There is also a class analysis of the current monopoly bourgeoisie that can provide a better understanding of the changes occurring within the ruling class. The book concludes with a strategic discussion, reviewing historical examples of 'anti-monopoly democracy', as developed by the communist parties from the mid-1960s.

This last topic covers the experience of Chile 1970-73, the April revolution in Portugal in 1974, the alliance between the French Communist and Socialist Parties in the 1980s, and finally the debate in Federal Republic of Germany on alliance and reform policy. Here there is an interesting issue, of promoting debate on how we challenge the current austerity policies and advance social and democratic rights.

To facilitate further debate on SMC theory, some critical comments about the book are relevant.

The question is, whether there is a need for a discussion of the concepts and categories we are using in the economic



theory? – in other words, for a closer cooperation between Marxist economists and philosophers? The major changes that have occurred, since the upheavals in 1989, call for a critical analysis of the economic and societal concepts that we use. Lenin's work *Imperialism: The Highest Stage of Capitalism* can serve as a role model. His preliminary studies, summarised in the *Philosophical Notebooks*, were made in Zürich, Paris and London.¹

An example of the need for clarification is expressed in the beginning of Chapter III of *Staatsmonopolistischer Kapitalismus*, where the authors characterise the events of 1989 as an "epoch break":

"The third major change with the period 1989/90 is a *break of epoch*, and the heaviest defeat until now of the world revolutionary process, entailing the restoration of capitalist ownership, power and distribution conditions in Eastern Europe. It has produced a fundamental change in the development of world capitalism and is characterised by a new polarising competitive struggle, conflicts and wars." (p 56, my italics)

Staatsmonopolistischer Kapitalismus

By GRETCHEN BINUS, BEATE LANDEFELD and ANDREAS WEHR (PapyRossa, Köln, 2015, 132 pp, pbk, €9.90. ISBN 978-3-89438-561-3)

Communists have previously (and partly also today) characterised our era as the transition from capitalism to socialism. If, as the authors determine, there has been an epoch break, then consequently we live in a different era today, but what one? The definition of the epoch is vital for deciding the strategy and tactics of the labour movement.

Here it is worthwhile highlighting the German philosopher Wolf-Dieter Gudopp, who has made a vital contribution to a new understanding of our epoch, *eg* in *Das Maß der Epoche*.² He believes that we have, until now, seen the epoch concept too narrowly, and he does not think there was a break in 1989. In his opinion the former progressive initiatives from the labour movement and other democratic forces have been replaced by a reactionary period.

Staatsmonopolistischer Kapitalismus is however an excellent introduction to the subject, particularly for readers who have not previously worked with Marxist theory in the economic field. Its clear overview and good language make reading the book a worthy experience. Many questions that are usually inaccessible are illustrated here in a convincing way. I can highly recommend the book, and only hope that it will soon be translated into other major languages.

Notes and References

1 V I Lenin, *Collected Works*, Vol 38, Progress Publishers, Moscow 1976.

2 W-D Gudopp von Behm and R Eckert, *Das Maß der Epoche (The Measure of the Epoch)*, Verein Wissenschaft & Sozialismus, Frankfurt am Main, reprint, 1995.